

Oklahoma Office of Workforce Development 900 N. Portland Ave. Oklahoma City, OK 73107

## M E M O R A N D U M – #M-06-2019

**DATE:** June 11, 2019

**TO:** Chief Local Elected Officials

Workforce Development Board Chairs Workforce Development Board Staff

**FROM:** Sarah Ashmore, Interim Executive Director

**RE:** Student Loan Default and WIOA Eligibility

## MESSAGE:

This memorandum further clarifies the intent of Memorandum #M-03-2019 regarding the use of Workforce Innovation and Opportunity Act (WIOA) Title I funds for individuals in default status on Federal Student Loans. WIOA programs and services must not be denied solely due to an individual's Federal Student Loan being in default status. However, workforce staff must counsel WIOA applicants and participants that training providers are not required to admit, enroll or provide other financial assistance to individuals who are in default status.

WIOA funds cannot be utilized to help individuals get out of default. However, financial literacy services and the provision of information regarding repayment of student loans are recommended services for individuals in default, prior to and during training funded by Title I. Information regarding financial planning may be found on the Oklahoma State Regents for Higher Education website, <a href="http://www.oklahomamoneymatters.org/">http://www.oklahomamoneymatters.org/</a>. Information on Student Loan Repayment may be found on the US Department of Education website: <a href="https://studentaid.ed.gov/sa/repay-loans">https://studentaid.ed.gov/sa/repay-loans</a>.

Please distribute this memo to Workforce Development Board Members, Local Service Providers, and all appropriate staff.

**INQUIRIES:** Questions about this issuance may be directed to Policy and Program Staff in the Oklahoma Office of Workforce Development. Contact information may be located at <a href="http://www.oklahomaworks.gov/about/">http://www.oklahomaworks.gov/about/</a>.

